



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3504
U-0126938
(UT-9223)

MAY 09 2012

RECEIVED

MAY 10 2012

DIV. OF OIL, GAS & MINING

CERTIFIED MAIL—7010 3090 0000 8061 2216
Return Receipt Requested

DECISION

American Gilsonite Company
29950 South Bonanza Highway
Bonanza, UT 84008

Gilsonite Lease
U-0126938

Bond Increase Required

American Gilsonite Company currently has on file with the Utah State Office of the Bureau of Land Management, a statewide bond in the amount of \$120,000 which in part of the coverage is gilsonite lease U-0126938.

Regulations at 43 CFR 3504.60, allow for the amount of any bond to be increased/decreased when additional/less coverage is determined to be appropriate. The Utah State Office, in conjunction with the Vernal Field Office, is requiring that an additional bond for gilsonite lease U-0126938 be provided in the amount of \$32,000 based on the construction of the Little Emma Shaft Site #8 and present reclamation requirements on this Federal lease.

This bond amount may be provided by submitting a new bond for the required amount. Enclosed are forms for submitting a surety bond (Form 3504-3) or a treasury note or cash in lieu of bond (Form 3504-1). If you do not agree with the bond amount, you must submit written justification to this office clarifying your position for a lesser bond amount.

A compliance period of 30 days from the receipt of this decision will be allowed to submit the above bond.

If you have any questions, please contact Bill Buge of this office at (801) 539-4086.

Roger L. Bankert
Chief, Branch of Minerals

Enclosures

1. Surety Bond Form 3504-3
2. Personal Bond and Power of Attorney Form 3504-1

cc: State Division of Oil, Gas and Mining
Green River District Office